

**2010 SUPPLEMENTAL HEALTH CARE EXHIBIT'S EXPENSE ALLOCATION
REPORT - DESCRIPTION OF ALLOCATION METHODOLOGY - 217
95584 - Vantage Hlth Plan Inc**

	Line	Explanation
01	Description of allocation methodology	

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**2010 SUPPLEMENTAL HEALTH CARE EXHIBIT'S EXPENSE ALLOCATION
REPORT - DESC OF QUALITY IMPROVEMENT EXPENSES - 217
95584 - Vantage Hlth Plan Inc**

	Line	Expense Type from Part 3	New	Detailed Description of Expense
01.0001	Improve Health Outcomes:	Salaries - Other than HIT	N	Pharmacists reviewing members prescriptions
01.0002		Outsourced Services	Y	Hospitalists to review care received during hospital stay
01.0003		EDP and software	N	Reporting service used to measure quality of physician care
02.0001	Activities to Prevent Hospital Readmission:	Salaries - Other than HIT	Y	Home health nurses visiting members that have been discharged from hospital
04.0001	Wellness and Health Promotion Activities:	Salaries - Other than HIT	Y	Salaries for Dietician, Diabetic Counselor and Tobacco cessation counselor
04.0002		Other Expenses	Y	Supplies used for diabetic counselor
05.0001	HIT Expenses for Health Care Quality Improvements:	EDP and software	N	Reporting service used to measure quality of physician care
05.0002		EDP and software	N	Medical records software made available to participating providers
05.0003			N	

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	Line	State Code	Individual	Small Group Employer	Large Group Employer	Government Business (excluded by statute)	Other Business (excluded by statute)	Other Health	Subtotal (Cols 1 thru 6)	Uninsured Plans	Total (Cols 7 + 8)
01.1	Health premiums earned (from Part 2, Line 1.8) (premium)	LA	2,429,215	8,480,710	50,129,485	65,820,891	0	0	126,860,301		126,860,301
01.10	Other adjustments due to MLR calculations - premiums (premium)	LA	0	0	0	0	0	0	0		0
01.11	Risk revenue (premium)	LA	0	0	0	0	0	0	0		0
01.12	Net adjusted premiums earned after reinsurance (Lines 1.8+1.9+1.10+1.11) (premium)	LA	2,370,721	8,335,266	49,350,814	65,654,511	0	0	125,711,312		125,711,312
01.2	Federal high risk pools (premium)	LA	0	0	0	0	0	0	0		0
01.3	State high risk pools (premium)	LA	0	-11,953	-67,047	0	0	0	-79,000		-79,000
01.4	Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3) (premium)	LA	2,429,215	8,468,757	50,062,438	65,820,891	0	0	126,781,301		126,781,301
01.5	Federal taxes and federal assessments (premium)	LA	0	0	0	0	0	0	0	0	0
01.6	State insurance, premium and other taxes (similar local taxes of \$0) (premium)	LA	2,733	14,747	82,720	0	0	0	100,200	0	100,200
01.7	Regulatory authority licenses and fees (premium)	LA	0	0	0	0	0	0	0	0	0
01.8	Adjusted premiums earned (Lines 1.4 - 1.5 - 1.6 - 1.7) (premium)	LA	2,426,482	8,454,010	49,979,718	65,820,891	0	0	126,681,101		126,681,101
01.9	Net assumed less ceded reinsurance premiums earned (premium)	LA	-55,761	-118,744	-628,904	-166,380	0	0	-969,789		-969,789
02.1	Incurred claims excluding prescription drugs (claims)	LA	1,835,127	6,377,062	35,563,308	43,912,154	0	0	87,687,651		87,687,651
02.2	Prescription drugs (claims)	LA	215,448	1,116,114	9,253,418	9,824,000	0	0	20,408,980		20,408,980
02.3	Pharmaceutical rebates (claims)	LA	39,635	123,797	945,740	979,496	0	0	2,088,668		2,088,668
02.4	State stop loss, market stabilization and claim/census	LA	0	0	0	0	0	0	0		0

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	based assessments (claims)										
03	Incurred medical incentive pools and bonuses	LA	3,530	27,365	122,102	73,287	0	0	226,284		226,284
04	Deductible fraud and abuse detection/recovery expenses (for MLR use only)	LA	0	0	0	0	0	0	0	0	0
05.0	Total incurred claims (Lines 2.1 + 2.2 - 2.3 - 2.4 + 3) (From Part 2, Line 2.10)	LA	2,014,470	7,396,744	43,996,088	52,829,945	0	0	106,237,247		106,234,247
05.1	Net assumed less ceded reinsurance claims incurred	LA	0	-89,953	-692,838	-314,947	0	0	-1,097,738		-1,097,738
05.2	Other adjustments due to MLR calculations - claims	LA	0	0	0	0	0	0	0		0
05.3	Rebates paid	LA	0	0	0	0	0	0	0		0
05.4	Estimated rebates unpaid prior year	LA	0	0	0	0	0	0	0		0
05.5	Estimated rebates unpaid current year	LA	0	0	0	0	0	0	0		0
05.6	Fee for service and co-pay revenue	LA	0	0	0	0	0	0	0		0
05.7	Net incurred claims after reinsurance (Lines 5.0+5.1+5.2+5.3-5.4+5.5-5.6)	LA	2,014,470	7,306,791	43,303,250	52,514,998	0	0	105,139,509		105,136,509
06.1	Type A. Expenses for health improvements other than Health Information Technology (improving health care quality expenses incurred)	LA	14,592	28,738	152,167	444,651	0	0	640,148	0	640,148
06.2	Type B. Health Information Technology expenses related to health improvement (improving health care quality expenses incurred)	LA	8,921	17,569	93,030	154,268	0	0	273,788	0	273,788
06.3	Total of defined expenses incurred for improving health care quality (Lines 6.1 + 6.2)	LA	23,513	46,307	245,197	598,919	0	0	913,936	0	913,936
07	Preliminary medical loss ratio: MLR (Lines 4 + 5.0 + 6.3)/Line 1.8	LA	1	1	1						
08.1	Cost containment expenses not included in quality of care expenses in	LA	91,347	179,902	952,575	977,173	0	0	2,200,997	0	2,200,997

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	Line 6.3 (claims adjustment expenses)										
08.2	All other claims adjustment expenses (claims adjustment expenses)	LA	178,008	350,574	1,856,281	1,537,822	0	0	3,922,685	0	3,922,685
08.3	Total claims adjustment expenses (Lines 8.1 + 8.2)	LA	269,355	530,476	2,808,856	2,514,995	0	0	6,123,682	0	6,123,682
09	Claims adjustment expense ratio (Line 8.3 divided by Line 1.8)	LA	0	0	0	0	0	0			
10.1	Direct sales salaries and benefits (general and administrative expenses)	LA	12,275	42,852	253,297	332,584	0	0	641,008	0	641,008
10.2	Agents and brokers fees and commissions (general and administrative expenses)	LA	261,731	493,962	324,743	450,708	0	0	1,531,144	0	1,531,144
10.3	Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below) (general and administrative expenses)	LA	0	0	0	0	0	0	0	0	0
10.4	Other general and administrative expenses (general and administrative expenses)	LA	146,817	512,559	3,029,737	3,978,097	0	0	7,667,210	0	7,667,210
10.5	Total general and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4)	LA	420,823	1,049,373	3,607,777	4,761,389	0	0	9,839,362	0	9,839,362
11	Underwriting gain/(loss) (Lines 1.12 - 5.7 - 6.3 - 8.3 - 10.5)	LA	-357,440	-597,681	-614,266	5,264,210	0	0	3,694,823		3,697,823
12	Income from fees of uninsured plans	LA								0	0
13	Net investment and other gain/(loss)	LA							0		0
14	Federal income taxes (excluding taxes on Line 1.5 above)	LA	0	0	0	0	0	0	0	0	0
15	Net gain or (loss) (Lines 11 + 12 + 13 - 14)	LA							3,694,823		3,697,823
16	ICD-10 implementation expenses (informational only; already included in general expenses)	LA	0	0	0	0	0	0	0	0	0

2010 SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1 - OTHER INDICATORS - 216

95584 - Vantage Hlth Plan Inc for Louisiana

	Line	State Code	Individual	Small Group Employer	Large Group Employer	Government Business (excluded by statute)	Other Business (excluded by statute)	Other Health	Subtotal (Cols 1 thru 6)	Uninsured Plans	Total (Cols 7 + 8)
01	Number of certificates/policies	LA	613	162	34	5,017	0	0	5,826	0	5,826
02	Number of covered lives	LA	1,123	1,383	13,314	5,017	0	0	20,837	0	20,837
03	Number of groups	LA		162	34	0	0	0	196	0	196
04	Member months	LA	13,413	26,416	139,868	59,943	0	0	239,640	0	239,640

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2010 SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2 - 216
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	Line	State Code	Individual	Small Group Employer	Large Group Employer	Government Business (excluded by statute)	Other Business (excluded by statute)	Other Health	Total
01.1	Direct premiums written (health premiums earned)	LA	2,429,215	8,480,710	50,129,485	65,820,891	0	0	126,860,301
01.10	Net assumed less ceded premiums earned from affiliates (health premiums earned)	LA	0	0	0	0	0	0	0
01.11	Ceded premiums earned to non-affiliates (health premiums earned)	LA	55,761	118,774	628,904	166,380	0	0	969,819
01.12	Other adjustments due to MLR calculation - premiums (health premiums earned)	LA	0	0	0	0	0	0	0
01.13	Net premiums earned (Lines 1.8 + 1.9 + 1.10 - 1.11 - 1.12)	LA	2,373,454	8,361,936	49,500,581	65,654,511	0	0	125,890,482
01.2	Unearned premium prior year (health premiums earned)	LA	0	0	0	0	0	0	0
01.3	Unearned premium current year (health premiums earned)	LA	0	0	0	0	0	0	0
01.4	Change in unearned premium (Lines 1.2 - 1.3) (health premiums earned)	LA	0	0	0	0	0	0	0
01.5	Reserve for rate credits prior year (health premiums earned)	LA							
01.6	Reserve for rate credits current year (health premiums earned)	LA							
01.7	Change in reserve for rate credits (Lines 1.5 - 1.6) (health premiums earned)	LA							
01.8	Total direct premiums earned (Lines 1.1 + 1.4 less \$0 write offs) (health premiums earned)	LA	2,429,215	8,480,710	50,129,485	65,820,891	0	0	126,860,301
01.9	Assumed premiums earned from non-affiliates (health premiums earned)	LA	0	0	0	0	0	0	0
02.1	Paid claims during the year (direct claims incurred)	LA	1,631,689	7,481,058	44,678,135	50,800,173	0	0	104,588,055
02.10	Total incurred claims (Lines 2.1 + 2.2 - 2.3 + 2.4 - 2.5 + 2.6 - 2.7 + 2.8 - 2.9)	LA	2,014,470	7,396,744	43,996,088	52,829,945	0	0	106,234,247
02.11	Assumed incurred claims from non-affiliates (direct claims incurred)	LA	0	0	0	0	0	0	0
02.12	Net assumed less ceded incurred claims from affiliates (direct claims incurred)	LA	0	0	0	0	0	0	0
02.13	Ceded incurred claims to non-affiliates (direct claims incurred)	LA	0	89,953	692,838	314,947	0	0	1,097,738
02.14	Other adjustments due to MLR calculation - claims (direct claims incurred)	LA	0	0	0	0	0	0	0
02.15	Net incurred claims (Lines 2.10 + 2.11 + 2.12 - 2.13 - 2.14)	LA	2,014,470	7,306,791	43,303,250	52,514,998	0	0	105,136,509
02.2	Direct claim liability current year (direct claims incurred)	LA	421,784	547,550	3,266,826	7,226,587	0	0	11,462,747
02.3	Direct claim liability prior year (direct claims incurred)	LA	295,361	679,155	4,223,204	5,343,447	0	0	10,541,167
02.4	Direct claim reserves current year (direct claims incurred)	LA	0	0	0	0	0	0	0
02.5	Direct claim reserves prior year (direct claims incurred)	LA	0	0	0	0	0	0	0

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02.6	Direct contract reserves current year (direct claims incurred)	LA	643,222	0	0	0	0	0	643,222
02.7	Direct contract reserves prior year (direct claims incurred)	LA	400,894	0	0	0	0	0	400,894
02.8	Incurred medical incentive pools and bonuses (Lines 2.8A + 2.8B - 2.8C) (direct claims incurred)	LA	3,530	27,365	122,102	73,287	0	0	226,284
02.8A	Paid medical incentive pools and bonuses current year	LA	3,530	27,365	122,102	73,287	0	0	226,284
02.8B	Accrued medical incentive pools and bonuses current year	LA	0	0	0	0	0	0	0
02.8C	Accrued medical incentive pools and bonuses prior year	LA	0	0	0	0	0	0	0
02.9	Net healthcare receivables (Lines 2.9A - 2.9B) (direct claims incurred)	LA	-10,500	-19,926	-152,229	-73,345	0	0	-256,000
02.9A	Healthcare receivables current year	LA	3,500	27,692	211,553	409,206	0	0	651,951
02.9B	Healthcare receivables prior year	LA	14,000	47,618	363,782	482,551	0	0	907,951
03	Fraud and abuse recoveries that reduced PAID claims in Line 2.1 above (informational only)	LA	0	0	0	0	0	0	0

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2010 SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3A - 216
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	Line	State Code	Improve Health Outcomes	Activities to Prevent Hospital Readmissions	Improve Patient Safety and Reduce Medical Errors	Wellness and Health Promotion Activities	HIT Expenses	Total (Cols. 1 to 5)	Cost Containment Expenses	Other Claims Adjustment Expenses	General Administrative Expenses	Total Expenses (Cols. 6 to 9)
01.1	Salaries (including \$0 for affiliated services) (individual comprehensive coverage expenses)	LA	4,889	1,224	0	2,889	0	9,002	29,390	26,251	73,239	137,882
01.10	Total (1.7 to 1.9) (individual comprehensive coverage expenses)	LA	10,293	1,224	0	3,075	8,921	23,513	29,390	26,251	73,239	152,393
01.11	Total fraud and abuse detection/recovery expenses included in Column 7 (informational only)	LA	0	0	0	0	0	0	0	0	0	0
01.2	Outsourced services (individual comprehensive coverage expenses)	LA	5,404	0	0	0	0	5,404	0	0	0	5,404
01.3	EDP equipment and software (including \$0 for affiliated services) (individual comprehensive coverage expenses)	LA	0	0	0	0	8,921	8,921	0	0	0	8,921
01.4	Other equipment (excluding EDP) (including \$0 for affiliated services) (individual comprehensive coverage expenses)	LA	0	0	0	0	0	0	0	0	0	0
01.5	Accreditation and certification (including \$0 for affiliated services) (individual comprehensive coverage expenses)	LA	0					0	0	0	0	0
01.6	Other expenses (including \$0 for affiliated services) (individual comprehensive coverage expenses)	LA	0	0	0	186	0	186	0	0	0	186
01.7	Subtotal before reimbursements and taxes (1.1 to 1.6)	LA	10,293	1,224	0	3,075	8,921	23,513	29,390	26,251	73,239	152,393
01.8	Reimbursements by uninsured plans and fiscal intermediaries (individual comprehensive coverage expenses)	LA	0	0	0	0	0	0	0	0	0	0
	Taxes, licenses and fees (in total, for tying purposes)											

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01.9	(individual comprehensive coverage expenses)	LA										0
02.1	Salaries (including \$0 for affiliated services) (small group comprehensive coverage expenses)	LA	9,629	2,410	0	5,689	0	17,728	0	0	0	17,728
02.10	Total (2.7 to 2.9) (small group comprehensive coverage expenses)	LA	20,272	2,410	0	6,056	17,570	46,308	0	0	0	46,308
02.11	Total fraud and abuse detection/recovery expenses included in Column 7 (informational only)	LA	0	0	0	0	0	0	0	0	0	0
02.2	Outsourced services (small group comprehensive coverage expenses)	LA	10,643	0	0	0	0	10,643	0	0	0	10,643
02.3	EDP equipment and software (including \$0 for affiliated services) (small group comprehensive coverage expenses)	LA	0	0	0	0	17,570	17,570	0	0	0	17,570
02.4	Other equipment (excluding EDP) (including \$0 for affiliated services) (small group comprehensive coverage expenses)	LA	0	0	0	0	0	0	0	0	0	0
02.5	Accreditation and certification (including \$0 for affiliated services) (small group comprehensive coverage expenses)	LA	0					0	0	0	0	0
02.6	Other expenses (including \$0 for affiliated services) (small group comprehensive coverage expenses)	LA	0	0	0	367	0	367	0	0	0	367
02.7	Subtotal before reimbursements and taxes (2.1 to 2.6)	LA	20,272	2,410	0	6,056	17,570	46,308	0	0	0	46,308
02.8	Reimbursements by uninsured plans and fiscal intermediaries (small group comprehensive coverage expenses)	LA	0	0	0	0	0	0	0	0	0	0
02.9	Taxes, licenses and fees (in total, for tying purposes) (small group comprehensive coverage expenses)	LA										0

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	coverage expenses)											
03.1	Salaries (including \$0 for affiliated services (large group comprehensive coverage expenses)	LA	50,984	12,762	0	30,125	0	93,871	0	0	0	93,871
03.10	Total (3.7 to 3.9) (large group comprehensive coverage expenses)	LA	107,338	12,762	0	32,067	93,030	245,197	0	0	0	245,197
03.11	Total fraud and abuse detection/recovery expenses included in Column 7 (informational only)	LA	0	0	0	0	0	0	0	0	0	0
03.2	Outsourced services (large group comprehensive coverage expenses)	LA	56,354	0	0	0	0	56,354	0	0	0	56,354
03.3	EDP equipment and software (including \$0 for affiliated services (large group comprehensive coverage expenses)	LA	0	0	0	0	93,030	93,030	0	0	0	93,030
03.4	Other equipment (excluding EDP) (including \$0 for affiliated services (large group comprehensive coverage expenses)	LA	0	0	0	0	0	0	0	0	0	0
03.5	Accreditation and certification (including \$0 for affiliates services (large group comprehensive coverage expenses)	LA	0					0	0	0	0	0
03.6	Other expenses (including \$0 for affiliated services) (large group comprehensive coverage expenses)	LA	0	0	0	1,942	0	1,942	0	0	0	1,942
03.7	Subtotal before reimbursements and taxes (3.1 to 3.6)	LA	107,338	12,762	0	32,067	93,030	245,197	0	0	0	245,197
03.8	Reimbursements by uninsured plans and fiscal intermediaries (large group comprehensive coverage expenses)	LA	0	0	0	0	0	0	0	0	0	0
03.9	Taxes, licenses and fees (in total, for tying purposes) (large group comprehensive coverage expenses)	LA										0

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2010 SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3B - 216
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Line	State Code	Improve Health Outcomes	Activities to Prevent Hospital Readmissions	Improve Patient Safety and Reduce Medical Errors	Wellness and Health Promotion Activities	Total (Cols. 1 to 4)
01.1 HIT expenses (individual comprehensive coverage expenses)	LA	0	0	8,921	0	8,921
01.2 Other than HIT expenses (individual comprehensive coverage expenses)	LA	10,293	1,224	0	3,075	14,592
02.1 HIT expenses (small group comprehensive coverage expenses)	LA	0	0	17,569	0	17,569
02.2 Other than HIT expenses (small group comprehensive coverage expenses)	LA	20,272	2,410	0	6,056	28,738
03.1 HIT expenses (large group comprehensive coverage expenses)	LA	0	0	93,030	0	93,030
03.2 Other than HIT expenses (large group comprehensive coverage expenses)	LA	107,338	12,762	0	32,067	152,167
04.1 Subtotal HIT expenses (Lines 1.1 + 2.1 + 3.1)	LA	0	0	119,520	0	119,520
04.2 Subtotal other than HIT expenses (Lines 1.2 + 2.2 + 3.2)	LA	137,903	16,396	0	41,198	195,497
04.3 Total (Lines 4.1 + 4.2)	LA	137,903	16,396	119,520	41,198	315,017

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